



Global player: An EPOD installation given as a charitable donation to a community centre in Toronto, Canada

CREATING WEALTH DESPITE THE ODDS

GWYN WILLIAMS, CORPORATE FINANCE DIRECTOR AT CLAY SHAW THOMAS, AN INDEPENDENT FIRM OF ACCOUNTANTS, BUSINESS CONSULTANTS AND TAX ADVISORS, EXPLAINS WHY THERE ARE STILL REASONS FOR OPTIMISM DESPITE THE ECONOMIC SLOWDOWN AND CREDIT CRUNCH

We are not enjoying a boom time right now. Mervyn King, governor of the Bank of England, has made it clear that the 'nice decade is behind us'; and many businesses are already feeling the squeeze as a delay in payment of invoices affects cash flow.

On the plus side, however, there are almost 200,000 VAT-registered businesses operating in Wales now – all helping to generate wealth, and keep the economic spark burning.

Wales is still an attractive country in which to invest, and Clay Shaw Thomas has helped negotiate grants to help companies such as thriving international IT firm SWORD, and global solar electric company, EPOD, to set up in South Wales.

Clay Shaw Thomas also works with indigenous successes, such as Ammanford-based Morgan Marine, market leader in the

design, manufacture and installation of glass reinforced polymer for industrial applications, and Primeshade Ltd, started in 1992, now one of the leading installers of utilities infrastructure – both with blue-chip customer lists.

Their stories present an upbeat element in a gloomy climate, and the promise of better things to come.

Case study 1: Leading international software company opts for Wales

International IT giant, SWORD Group, has created more than 200 new jobs for South Wales with the opening of its research and development (R&D) operation.

SWORD was awarded a £3.6m Welsh Assembly Government RSA grant, negotiated by advisors Clay Shaw Thomas, in support of the initiative to centralise the

company's R&D and support services in Wales.

The new operation will provide a comprehensive near-shore facility with enhanced and consistent support across the company's numerous product offerings.

SWORD Group, founded in 2000, has offices in 16 countries, an annual revenue of €179m (2007) and employs more than 2,000 people.

The company has established an excellent reputation as a global IT products and services company specialising in heavily-regulated markets, including:

- Banking
- Aviation
- Insurance
- Government
- Oil and gas
- Nuclear
- Pharmaceutical/health
- Telecommunications

James Burnett, Principal with Clay Shaw Thomas said: "The new R&D operation will support the accelerated release of products to the marketplace by fostering integration and interoperability across the product portfolio to benefit clients."

"The need for such services is fuelled by the successful growth of SWORD Group, and the markets in which it operates, which is where the new South Wales operation comes in."

"Additional support from the Welsh Assembly Government's overseas trade arm, International Business Wales, has helped secure this investment in Wales," he added.

SWORD chief executive officer Heath Davies said: "Key criteria in selecting South Wales as the location for the operation included the funding available to make this a viable alternative to an off-shore facility, the proximity to existing SWORD offices,

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A Morgan Marine rooftop packaged substation

and the strong transport infrastructure. "The talented local skills pool was also a key factor, which is enhanced by the number of excellent universities in the area that we will be working closely with in order to recruit top-level graduates in the future," he added.

Case study 2 Global solar power player puts down roots in Wales

EPOD Solar (Wales) Limited is a global solar electric energy company that engineers, manufactures and installs solar systems and electrical power storage systems.

The company has its base in Canada. Through its subsidiaries it is also an international solar energy utility business that sells solar electricity to the grid from connected solar sites built and managed by EPOD.

The parent company has a strategy of expansion through acquisition, resulting in subsidiaries located in Canada, Germany and Wales – where its base is located on Waterton Industrial Estate in Bridgend.

EPOD Solar Inc. has invested heavily in new equipment, to the tune of £2m. This investment will be channelled towards upgrading the photovoltaic manufacturing facility in Bridgend.

The purpose of the investment is to increase manufacturing capacity to double the current output, and to ensure that facilities are capable of meeting potential future demands.

Not only will the investment secure the existing workforce, it will also result in the creation of a further 12 jobs.

Case study 3 Morgan Marine – a home-grown success story

For more than four decades, Morgan Marine Ltd has been a major employer in Ammanford and the surrounding area.

Part of Morgan GRP, the company specialises in the design, manufacture and installation of GRP (glass reinforced polymer).

"We offer a number of ranges from standard size 'off the shelf products' to specifically designed housings that meet

customers' individual specifications, as well as housings designed to blend in aesthetically with their surroundings," explains Sue Paton, Morgan Marine managing director. "Through our sister company PSF Wales Ltd we offer an equivalent range in steel."

Morgan Marine's customer base covers a diverse range of businesses in the utility and construction sectors, and counts many blue-chip customers in its portfolio. These include United Utilities, Scottish and Southern Energy, and BT.

Morgan Marine takes its social and community responsibilities extremely seriously. It gives support to the local community both by financial aid, and by donating some of its products to create outside storage for schools, special needs units and local children's sports clubs.

Morgan Marine has a charity committee made up from staff members who decide where the funds are distributed.

Morgan Marine currently holds the quality standard ISO 9001:2000, and is working towards the Green Dragon Environmental award. Morgan Marine also holds the Investors in People Award.

Case study 4 Primeshade – leading the way in specialist utilities services

Since it began operating in 1992, Bridgend-based Primeshade has developed into one of Britain's leading installers of utilities infrastructure.

Primeshade's services cover the design, project formulation, project management and multi-utility installation of gas, water, electricity and telecommunications networks for domestic, industrial, commercial, public, and mixed-use community developments.

Clay Shaw Thomas recently assisted a management buy-in, helping to secure finance, including support from Finance Wales.

Primeshade has also benefited from continued support from the Welsh Assembly Government – assisting with the high levels of accredited training required by the company's teams of operatives.

Thanks to being based in Wales, Primeshade has access to an outstandingly highly skilled workforce, which enables the company to maintain high standards of practice.

In the 12 months since its change of ownership, Primeshade has doubled both its turnover and number of employees.

The company is now aiming to lead the way with the innovative technologies and techniques necessary to meet the rapidly advancing standards relating to the sustainability of energy and water supplies.

This includes ground source heat pumps tapping geo-thermal energy tens of metres underground; hot water networks in conjunction with community-centred combined heat and power plants; and dual-water systems to reduce water demand by some 40%. ■

For further information, please contact Clay Shaw Thomas on 01656 867167 or visit www.clayshawthomas.com.



A Morgan Marine project for the Metropolitan Police on the River Thames